TOURISM MARKET PROFILE

AUSTRALIA

PART I: HIGHLIGHTS

Prepared for

Alberta Economic Development

By

Strategy Plus

9608 – 100 Street
Edmonton, Alberta T5K 0T6

In Association with

Insight Research Solutions Inc.

4907 – 114 Street
Edmonton, Alberta T6H 3L5

December 31, 2000

TOURISM MARKET OPPORTUNITY PROFILE – AUSTRALIA

TABLE OF CONTENTS

PAGE

PART I: HIGHLIGHTS

SUMMARY HIGHLIGHTS 1

SWOT Analysis Highlights 2

I. Highlights of Australian Travel to Alberta 4

II. Socio-Economic Factors 4
- II.1. Demographics 4
- II.2. General Economy 4
- II.3. Employment and Business Environment 5
- II.4. Exchange Rates 5

III. Travel Trends and Factors 6
- III.1. Outbound Travel from Australia 6
  - III.1.1. Incidence and Purpose of Outbound Travel from Australia 6
  - III.1.2. Top Destinations for Australian Travelers 6
  - III.1.3. Length of Stay/Expenditures for Outbound Travelers from Australia 7
  - III.1.4. Trip Planning and Travel Arrangements 7
  - III.1.5. Socio-Demographic Characteristics of Outbound Travel from Australia 8
- III.2. Australia Travel to Canada 8
  - III.2.1. Purpose of Travel to Canada 8
  - III.2.2. Travel Habits and Competition 9
  - III.2.3. Length of Stay/Expenditures in Canada 10
  - III.2.4. Trip Planning/Packages to Canada 10
  - III.2.5. Potential Market from Australia to Canada by Market Segment 10
  - III.2.6. Activities Participated in by Travelers from Australia 11

IV. Issues/Barriers to Travel to Alberta from Australia 11
- IV.1. Image of Alberta/Canada 11
- IV.2. Price Sensitivity 12
- IV.3. Air Access 12
- IV.4. Competition 12

V. Strengths, Weaknesses, Opportunities, Threats (SWOT) Analysis 13
- V.1. Strengths 13
- V.2. Weaknesses 14
- V.3. Opportunities 14
- V.4. Threats 14

VI. References 15

PART II: GRAPHS AND TABLES

Table of Contents I

TOURISM MARKET OPPORTUNITY PROFILE – AUSTRALIA

SUMMARY HIGHLIGHTS

- Tourism from Australia to Canada showed continuous growth to 1998. In 1998, the number of overnight trips to Canada by Australians decreased by 3.7%, from 150,000 in 1997 to 144,500 in 1998. In 1999, there was again positive growth in inbound travel from Australia, with an increase of 5.5% to 152,400 visitors from Australia to Canada.

- Alberta experienced increases in overnight visitation from Australia until 1997, when overnight trips dropped by 16.5% from 43,600 to 36,400. In 1998 and 1999, there was again positive growth in inbound travel from Australia to Alberta, with an increase in 1999 to 51,000 visitors (33.5%).

- Tourism receipts from Australia to Canada increased by 21.8% from $159.1 million in 1998 to $193.8 million in 1999.

- In 1999, there was then a significant increase (72.1%) in expenditures by Australians in Alberta, increasing from $25.8 million to $44.4 million.

- In 1995, Canada ranked as the 7th most frequently cited destination of Australian travelers.

- In 2000, major competitors were the short haul destinations of New Zealand and Indonesia. Primary long haul destinations for Australia are the United Kingdom (12.7% of market share), the United States (14.1% of market share), Other Europe (27% of market share), and Southeast Asia (32.4% of market share).

- Canada's market share of Australian long haul travelers decreased from 7.2 % in 1995 to a low of 5.9% in 1998, before increasing back to 6.2% in 1999.

Visitors to Canada and Alberta 1+ Nights 1995 – 1999

	1995	1996	1997	1998	1999
Overnight Trips to Canada (000s)	141.6	149.3	150.1	144.5	152.4
Year to Year Change (%)	-	5.4	0.5	(-3.7)	5.5
Overnight Trips to Alberta (000s)	39.9	43.6	36.4	38.2	51.0
Year to Year Change (%)	36.2	9.3	(-16.5)	4.9	33.5

Source: Canadian Tourism Commission Strategic Plan 2001 – 2002
Statistics Canada, International Travel Survey

NOTE: Different sources of information were used in the development of this profile. As a result, there may be discrepancies in statistics, such as visitation numbers.

SWOT ANALYSIS HIGHLIGHTS

Strengths	Weaknesses
• Canada is perceived to be a safe, green and clean environment. • Scenically beautiful in a unique/different way to Australia. • Increased air capacity directly to Canada. • National parks and forests, lakes, mountains, and wildlife are important. • Canada is attracting high yield niches: skiing, fishing, scenery, adventure/trekking. • Australians prefer travelling to English-speaking destinations, where travel is easy and there is a high level of comfort, making Canada a suitable choice. • Australians like to socialize with local inhabitants during their vacation, and are attracted to Canada's distinctive culture and friendly people. • Continued media coverage as a result of media familiarization tours and active media relations programs has reinforced a positive image for Canada.	• Air transportation costs within Canada are high, and could impact on the vacation selection decision. • The majority of Australians still prefer to travel to Canada during the summer, when there are infrastructure capacity problems. • Canadian cities are viewed as being less exciting than US cities. • There is a lack of publicity for Canada. Canada does not have top of mind awareness as a destination. • Canada is seen as great for seniors, but has a limited youth image beyond skiers.

SWOT ANALYSIS HIGHLIGHTS (Continued)

Opportunities	Threats
• There is a growing incentive market for long haul travel. • Canada is currently riding a wave of popularity amongst consumers. • The somewhat better rate of exchange for Canada in comparison to the US provides an opportunity to capitalize on a value-for-money message. • Winter travel is growing, providing an opportunity for non-ski winter product sales, as well as to encourage spring/fall off-season travel through special promotions. • Airlines are currently restructuring and building markets, providing an opportunity to cooperate with them in promotions. • Cuts in personal income tax that were introduced along with the new GST should lead to a rise in disposable income. • The new GST on domestic travel recently introduced in Australia will enhance the price of long haul travel, which is not affected by GST • Awareness of the United States is high, and there is a demonstrated demand to visit there. This provides an opportunity to capitalize on a two nation vacation theme, particularly since many of the international flights arrive at West Coast USA gateways.	• Australians have been made aware of the travel bargains available in Asia as a result of the currency crisis. • Competitive destinations are promoting strongly in the market. • Australians are being wary regarding the long term impact of their new GST. • Potential sliding in value of the Australian dollar against the Canadian dollar, with the result that packages to Canada will cost more.

I. HIGHLIGHTS OF TRAVEL TO ALBERTA FROM AUSTRALIA (See Tables 6, 7, 8, 18, 19)

- Overnight travel to Alberta peaked in 1996 with 43,600 visitors, then declined to 38,200 visitors in 1998, before increasing to a record level of 51,000 visitors in 1999.
- Expenditures by overnight visitors to Alberta from Australia peaked in 1996 at $31.1 million. They declined significantly in 1997 to $22.8 million, before recovering to $25.8 million in 1998 and $44.4 million in 1999.
- Almost half of Australians who had ever visited Canada in 1995 had visited Alberta (49%). Alberta was the third most visited province behind British Columbia (68%) and Ontario (55%).
- Alberta also ranked third in awareness after British Columbia, and Ontario. When comparing awareness of specific states and provinces, Alberta rated higher than New York, Florida, Louisiana, and Hawaii.
- In terms of past visitation, a higher proportion of respondents reported having visited Alberta (49%) than Hawaii (38%), New York State (37%), Nevada (31%), or Arizona (20%).

II. SOCIO-ECONOMIC FACTORS

II.1. Demographics

- In 1995, the estimated population of Australia was 18.1 million, increasing to an estimated 19.1 million by July 2000. The population growth rate is estimated at 1.02%.
- In 2000, Australia ranked as the 52nd largest country in the world.
- The 1995 population profile for Australia is as follows:
  - 21.4% are 0 – 14 years of age (male: 1,984,000 and female: 1,884,000)
  - 7.0% are 15 – 19 years of age (male: 652,000 and female: 617,000)
  - 8.0% are 20 - 24 years of age (male: 737,000 and female: 709,000)
  - 7.6% are 25 – 29 years of age (male: 693,000 and female: 688,000)
  - 15.9% are 30 – 39 years of age (male: 1,435,000 and female: 1,440,000)
  - 14.3% are 40 – 49 years of age (male: 1,299,000 and female: 1,283,000)
  - 9.8% are 50 – 59 years of age (male: 906,000 and female: 872,000)
  - 3.8% are 60 - 64 years of age (male: 349,000 and female: 352,000)
  - 11.9% are 65 years of age and older (male: 936,000 and female: 1,218,000)
- The average life expectancy of Australians is 79.8 years or 76.9 years for men and 82.7 years for women.

II.2. General Economy (See Table 1)

- The growth of GDP slowed from a high of 5% in 1998 to 4% in 1999 as a result of moderation in private investment. It is expected to fall to 3% in 2000 as investment and consumption growth eases. It is then forecast to return to around 4% in 2001 as business investment resumes.
- The unemployment rate has remained consistently around the 8% mark in the late 1990's, but is expected to decline to 6.5% by 2001.

- Household savings reached a high of 5.9% in 1996, but declined to 2.1% in 1998 and 1999. It is expected that household savings will increase slightly to 2.7% by 2001.

- The slow down in business investment at the end of 1999 was primarily in the mining sector and as a result of the completion of Olympic projects.

- With the end of the Asian crisis, monetary policy is likely to revert to a neutral position.

- Inflation is forecast to reach 4% in 2000, before dropping back to around 2.5% in 2001.

- Australia is rich in natural resources and is a major exporter of agricultural products, minerals, metals and fossil fuels. Commodities account for 57% of the value of total exports, meaning that a downturn in world commodity prices can have a big impact on the economy.

- With the *New Tax System* (effective July 1, 2000), outbound travel from Australia is expected to rise over the next several years. The introduction of a new GST as part of this New Tax System has resulted in increased prices for domestic holidays, including the cost of accommodation, meals and internal flights. At the same time, cuts made to personal income tax have started to raise household disposable incomes.

II.3. Employment and Business Environment (See Table 1)

- Employment continues to grow, with participation in the labour force stable and unemployment at around 7% in 1999. The unemployment rate is forecast to decrease slightly to around 6.5% in 2001.

- In December 1999, there were about 8.9 million people in the labour force, with an estimated 73% in the services sector, 22% in industry, and 5% in agriculture.

- Australia has generous holiday leave provisions (usually four weeks plus statutory holidays), and long-service leave allowances (up to three months leave for every ten to fifteen years of continual service), both of which encourage Australians to take extended holidays.

II.4. Exchange Rates (See Graph 1)

- The exchange rate of the Australian dollar per US dollar has decreased sharply over the past year, after remaining fairly steady for the past few years. It has changed from 1.3486 in 1995 to 1.9160 in November 2000.

- As of August 2000, the Australian dollar dropped by 10.5% against the Canadian dollar compared with the same period in 1999. While the exchange rate is still better than that for the US dollar, this translates into Canadian tour packages being more expensive and reduces the price advantage that Canada recently held over the United States.

III. TRAVEL TRENDS AND FACTORS

III.1. OUTBOUND TRAVEL FROM AUSTRALIA

III.1.1. Incidence and Purpose of Outbound Travel from Australia (See Table 4)

- In 1998, Australians made 3.2 million overseas trips (both long and short haul), an increase of 52% from 2.1 million in 1990. Growth is forecast to continue at an average annual rate of 4.6% over the next decade, due to the competitive price of overseas travel and increasing disposable income.

- Australians are inveterate travelers, having one of the highest propensities for outbound travel in the world. In 1998, nearly half (47%) of Australian residents traveled outside of Australia for a holiday, while a further 24% traveled to visit friends and relatives.

- Australia has a very sophisticated and well-developed domestic tourism industry. However, in general, domestic tourism does not compete against international tourism unless currency exchange rates are not favourable for the Australian traveler.

- According to the report on the Australian Travel Market to the U.S, Australians express strong preferences for vacation activities that are not easy to find at home, such as sampling exotic foods and the opportunity to experience other populations and cultures.

- Other strong preferences are for visiting scenic and historic places, as well as good shopping and nightlife.

III.1.2. Top Destinations for Australian Travelers (See Table 2, 3 and 4)

- Long haul pleasure travel for Australian travelers is defined in the 1995 Pleasure Travel Markets to North America report as a pleasure trip of four nights or more outside Australia, New Zealand, Indonesia, Bali, Fiji and other Pacific Islands. These countries are considered to be short haul destinations. The Tourism Forecasting Council in 2000 extends the definition of short haul destinations to also include Hong Kong, Thailand, Singapore, Malaysia, Other Oceania and SE Asia.

- When considering all overseas destinations, including short and long haul, New Zealand was the most popular destination for Australian travelers in 1998 (15%), followed by Indonesia (11%), the United Kingdom (10.8%), and the United States (10%). Canada ranked 14th as part of the category of "Other America". The United States and Other America combined account for 12.8% of visits.

- In terms of long haul destinations in 1998, the United Kingdom was first, followed by the United States and Other Europe, with Canada ranking sixth.

- In terms of destination planned for a long haul trip, the United States (64%) was reported in 1995 as the top destination that will meet most vacation needs, followed by the United Kingdom (57%), France (38%), and Canada (27%). In terms of recent long haul trips taken, Canada edged ahead of France.

- According to a 1998 survey conducted by Gallup International, Australian travelers look for the following in selecting an international destination: 1) provides new experiences, such as local customs and culture; 2) food and sunshine; 3) satisfies the "good life", with activities such as shopping and nightlife; 4) sightseeing attractions such as monuments, historical buildings and museums; 5) relaxation and adventure; and 6) provides value for money.

- New Zealand is Australia's largest outbound destination, offering experiences that are similar to those available in Canada and at a comparable price. Over 65% of all New Zealand arrivals in 1999 were Australians.

- The United States moved up to be the largest long haul individual country destination in 1999 (14.1%). High levels of awareness, a wide variety of man-made attractions, and competitive package pricing, help to strengthen the position of the United States.

- The United Kingdom was the second most frequently visited long haul destination of Australians (12.7% of market in 1999). Visiting Friends and Relatives is a strong component of the market, and a higher proportion of visitors from Australia to the United Kingdom are older and female. Attractive airfares and strong seasonal advertising keep the profile of the United Kingdom high.

- Other Europe represented 27% of the long haul outbound market from Australia in 1999. The availability of multi-destinations, history, and culture, as well as competitive and discount air fares have stimulated growth.

- Southeast Asia attracted 32.5% of the overseas travel market in 1999, with Indonesia being the most popular destination with 11.4%. Travel to Indonesia has nearly doubled since 1990, however, political unrest and violence have had a negative impact. Prices remain competitive and extensive promotion means that this remains a travel bargain for Australian travelers.

III.1.3. Length of Stay/Expenditures for Outbound Travelers from Australia (See Tables 5 and 9)

- The long distances traveled to other countries are reflected in the relatively long periods of stay abroad. In 1998, only 12% of Australian travelers stayed overseas less than a week, while 33% stayed away for over a month.

- Trips in 1995 that included a visit to Canada as part of the trip were significantly longer (57 nights) than trips to the United States (38 nights), and all destinations in general (46 nights).

- In 1995, the travel trade reported that Australians are taking shorter and more frequent long haul holidays, and that they are becoming more budget conscious with increasing emphasis on value for money.

III.1.4. Trip Planning and Travel Arrangements (See Table 15 and 16)

- The amount of time before departure when the destination was selected tends to reflect the distance traveled. Most visitors to Canada select their destination a year or more in advance (26%), while 24% select their destination 6 to 11 months prior to departure. Visitors to the United States tend to have a shorter planning time, with 31% selecting their destination 6 to 11 months prior to departure and 20% selecting their destination a year or more in advance.

- According to the report on the Australian Pleasure Travel Markets to North America, when planning a holiday, Australians gather information from travel agents (70%), talk to friends or relatives (54%), and read brochures and travel literature (44%).

- Australians indicated that they seek tourist information on places like the United States through a variety of websites on the internet, and from travel articles in newspapers and magazines.

- According to the Australian Pleasure Travel Markets to North America report, some factors influential in determining travel destinations for Australians are: currency exchange rates, the cost of airfares, and fear for personal safety. In the longer term, the market to the USA can be expected to expand as the Australian economy grows, however, the Australian market is sensitive to fluctuations in currency exchange rates. This is positive for Canada in terms of the relative value of the dollar.

- The US Department of Commerce reported in 1998 that the popularity of fly/drive holidays by Australians is increasing. Although there has been a steady increase in recent years in pre-planned itineraries, the general trend is for Australians to collect their rental car and then plan their exact routing and overnight stays on a day to day basis. There is also increasing interest in motorhome rentals.

- Australians are also interested in "go as you please" hotel voucher passes. Vouchers allow travelers to pre-purchase hotel rooms in Australia before they leave, but give them the flexibility to choose their accommodation en route.

III.1.5. Socio-Demographic Characteristics of Outbound Travel from Australia (See Table 14)

- In 1995, Australian pleasure travelers to all destinations were an average age of 48 years, with visitors to Canada being slightly older at 49 years and to the United States slightly younger at 45 years. Most tended to travel with their spouse or partner.

- In 1995, 34% of all Australian pleasure travelers to all destinations were 55 years or older, compared to 43% of visitors to Canada and 26% to the United States.

- Australian pleasure travelers to all destinations in 1995 were generally married (68%), with 62% of visitors to Canada and 69% to the United States being married.

- Almost one-third of all Australian pleasure travelers to all destinations in 1995 had some college or university education (35%), with 38% of visitors to Canada and 33% of visitors to the United States in this category.

III.2. AUSTRALIA TRAVEL TO CANADA

III.2.1. Purpose of Travel to Canada (See Tables 10, 11 and 13)

- 1999 was a record year for the Australian market to Canada. Australians made more overnight trips to Canada than ever before, spending more and staying longer. The growth of Australian travel to Canada over the next three years should continue to grow strongly, hindered only by intensified competition from other overseas destinations.

- Australians made a total of 152,400 overnight trips to Canada in 1999, an increase of 5.5% over 1998. From 1995 to 1999, Australian overnight travel to Canada grew by 7.6%.

- Expenditures by Australians in Canada increased by 21.8% to $193.8 million in 1999. From 1995 to 1999, receipts experienced a growth of 40.7%.

- In 1998, Canada's market share of long haul outbound trips from Australia was 5.9%, growing in 1999 to 6.2%.

- Preliminary statistics for the period January to July 2000 show that there were 99,000 visitors to Canada from Australia, up by 13.0 % from the same period in 1999 (87,600).

- By 2002, travel to Canada is expected to continue to grow to 180,900 travelers, with receipts of $260.0 million.

- Attributes about Canada that were viewed most favourably by Australians in 1995 were: outstanding scenery, mountainous areas, national parks and forests, rivers and lakes, and wilderness and undisturbed nature (all rated 3.5 out 4). Overall, Canada received a rating of 3.22 out of 4.

- Those attributes viewed with room for improvement include: high quality restaurants, activities for the entire family, availability of package trips (all-inclusive vacations), culture, hunting, the opportunity for outdoor sports, local crafts, and big modern cities (all rated between 2.9 and 2.99 out of 4).

- Attributes identified that needed improvement were: nightlife, inexpensive restaurants, historic sites and buildings, budget accommodation, and local festivals (all rated between 2.6 and 2.74 out of 4).

- Features and products identified by the travel trade in 1994 that have the greatest potential for attracting Australian visitors to Canada include: outstanding scenery, mountains, parks, wilderness, variety of things to see and do, personal safety, environmental quality, value for money, standards of hygiene and cleanliness, outdoor activities, availability of package trips, unique and different native cultures, inexpensive travel to the country, interesting and friendly local people, and alpine skiing. It should be noted that these features were rated higher for Canada than they were for the USA.

III.2.2. Travel Habits and Competition (See Tables 4, 7, 8 and 12)

- The typical recent Australian pleasure traveler to Canada is middle-aged or older, often retired, traveling as part of a couple, and frequently (but not necessarily always) visiting friends and relatives, and enjoying the nature and outdoors while on an extended trip to Canada.

- The most popular months for Australians to travel to all destinations are March to December. Most travel to Canada in 1995 occurred in May/June, the "summer" period of the second and third quarters.

- Travel patterns in 1999 showed a continued strong peak for travel during Canada's summer in the second and third quarters (64%), plus a growing market for winter travel in Canada.

- Travelers to Canada (1995) were more than twice as likely as long haul travelers in general to visit friends and relatives.

- The average party size for Australians traveling to Canada in 1995 was 2.4, compared to 3.0 for visitors to the United States and 2.7 to all other destinations. The larger party size for the United States reflects a larger percentage of travelers with children.

- The two motivating factors for selecting a destination most frequently mentioned by Australians who had visited Canada were: outstanding scenery (84%) and meeting new and different people (80%). These were significantly higher for Canada than for all destinations (75% and 76%, respectively).

- Canada's principal competitors for overseas Australian travelers in 1999 continue to be: the United States (including Alaska) with 14.1% of the market, Continental Europe having 27% of the total market (with the United Kingdom in the lead with 12.7%), SE Asia with a combined total of 32.4% of the market (with Bali having 11.4%), and New Zealand.

- In 1995, British Columbia was the most frequently mentioned province ever visited (68%), followed by Ontario (55%), and Alberta (49%).

- In 1995, Vancouver was the most frequently reported city ever visited (64%), followed by Toronto (35%), Calgary (30%), Montreal (29%), and Banff (28%).

- British Columbia has the highest awareness levels in Canada among Australian travel planners. It also tops the list in terms of interest in visiting. Alberta has a lower level of awareness (48% compared to 67% for BC.), and there is a lower rate of interest in visiting Alberta. Alberta ranked fourth after British Columbia, Ontario, and Quebec.

III.2.3. Length of Stay/Expenditures in Canada (See Table 9)

- The average spending per trip by Australian overnight visitors in Canada was $1,272 in 1999, an increase of 15.5% over the average in 1998.
- Australians spent an average of 12 nights per trip to Canada in 1999, compared to 10 nights in 1996.
- Canada received a high trip satisfaction in 1995, with 98% of respondents indicating a rating for Canada of "somewhat or very satisfied", compared to 99% for the United States, and 97% for all other destinations. Value of money rating was also highest for Canada at 8.3 out of 10, compared to 8.2 for the United States and 7.9 for all other destinations.

III.2.4. Trip Planning/Packages to Canada (See Tables 15 and 16)

- Australian visitors to Canada are slightly less likely to talk to a travel agent as a source of information than Australian travelers in general (68% versus 70%). Visitors to Canada also talk to friends/family (57%) and pick up brochures /pamphlets (44%).
- Australian travelers to Canada tend to select it as a destination at least 6 months to a year or more in advance.
- Travel by Australians has matured away from group tours to fully independent travel and self-driven programs.
- In 1998, it was predicted and reported by the US Department of Commerce that more than one million Australians would make their travel booking on the internet by 2001, and that by 2002, travel will account for 35% of all online sales.

III.2.5. Potential Market from Australia to Canada by Market Segment

- In 1999, visitors to Canada from Australia included the following numbers by age group:
  - Visitors aged 25 to 34 comprised 13.6% of the market to Canada, representing a 2.5% increase.
  - Visitors aged 35 to 44 comprised 12.3% of Australian travelers to Canada, decreasing by 9.2%.
  - Visitors aged 45 to 54 made up the largest percentage (23.5%), increasing by 9.8%.
  - Visitors aged 55 to 64 comprised 21.6% of the visitors to Canada, increasing by 24.1% as a result of the aging of the baby-boomer market.
- Interestingly, amongst Australian "holiday" travelers to North America in 1999, visitors aged 30 to 49 years recorded the highest percentage growth (32%).
- The Canadian Tourism Commission (CTC) has identified four target markets as having the best prospects to increase visitation from Australia (see following list).

- **High-yield travelers and senior or middle management professionals.** This segment includes those travelers who spend the greatest amount of money, and combines two distinct segments identified in 1995. These travelers tend to be married, with average ages of 41 - 49 years. They tend to travel with their spouse or partner, and many also travel with their children. They traveled with an average party size in 1995 of 3.1 for high-yield travelers and 2.8 for professionals, compared to the average of 2.5 and 2.6 respectively for other segments. They are likely to organize their own trips and many use travel packages. They were primarily from New South Wales and Victoria in 1994.
- **Seniors aged 55+.** This is currently the largest segment and one that is still growing for Canada. Visitors aged 55 to 64 comprised 21.6% of the visitors to Canada in 1999, an increase of 24.1%. This group now includes aging baby-boomers, and some of the high-yield travelers identified in 1995.
- **Winter Ski/Snowboard market**. This segment has increased significantly in the past two years. In 1998, it was estimated that 85 – 95% of long haul ski travelers from Australia were heading for North America, a significant change from 20 years ago when they primarily traveled to Europe.
- Australian travel wholesalers specializing in Canada are expecting a strong ski season. The decrease in the value of the Australian dollar against the United States dollar means Canada offers better value. As a result of strong promotion by the CTC, the number of Australians traveling to Canadian ski resorts has grown by around one-third.
- **Non-ski winter travelers.** There are substantial opportunities in this growing segment. It corresponds to the Australian Summer when school holidays are longer. Australians can take advantage of the off-season prices in North America and potentially higher capacity and lower domestic airfares.
- The CTC has also identified a secondary focus on: family travel; the 35 to 54 age group which is currently traveling to the United States; incentive travel; and visiting friends and relatives.

III.2.6. Activities Participated in by Travelers from Australia (See Table 17)

- Taking pictures or filming was the most frequently mentioned activity of Australian visitors to Canada in 1995 (94%). This was followed by informal/casual dinning (93%), sightseeing in cities (92%), and sightseeing in the country (92%). Visiting scenic landmarks was reported by 77% of Australians visiting Canada, the same proportion reported by those who visited the United States.
- Features and products identified by the travel trade in 1994 that have the greatest potential for attracting Australian visitors to Canada include: outstanding scenery, mountains, parks, wilderness, variety of things to see and do, personal safety, environmental quality, value for money, standards of hygiene and cleanliness, outdoor activities, availability of package trips, unique and different native cultures, inexpensive travel to the country, interesting and friendly local people, and alpine skiing. It should be noted that these features were rated higher for Canada than they were for the USA.

IV. ISSUES/BARRIERS TO TRAVEL TO ALBERTA FROM AUSTRALIA

IV.1. Image of Alberta/Canada

- The 1995 pleasure travel survey reported that Canada is perceived as having outstanding scenery, mountainous areas, national parks and forests, rivers and lakes and wilderness and undisturbed nature. In addition, areas such as culture, budget accommodation, food and beverage services, opportunities for outdoor sports, and big and modern cities, were all attributes that were noted as requiring improvement.

- Canada was also not perceived as being distinct from the United States. While Canada has heightened its profile in Australia, it is still likely to remain a second choice behind travel to the United States.

IV.2. Price Sensitivity

- Australians are very conscious of price and value for money. The recent devaluing of the Australian dollar has made consideration of exchange rates a very important consideration in travel decisions.
- In 1995, Canada received a high trip satisfaction rating of 98% from Australians who were somewhat or very satisfied. Value of money rating was also high at 8.3 out of 10.
- There is an opportunity to capitalize on the better exchange rate available in Canada than in the United States.

IV.3. Air Access

- There is no non-stop air service between Alberta and Australia. All international flights must connect through such gateways as Vancouver, Los Angeles, or San Francisco, using connector flights that are often regional airlines having limited capacity. In 1998, Qantas Airways, United Airlines and Air New Zealand offered a total of more than 23,000 seats a week between Australia and the USA.
- A recent study by Tourism British Columbia reported that average airfares paid by leisure travelers from British Columbia to Canadian destinations in 2000 increased by 11%. This is not the result of increased domestic fares. Rather it appears to be the result of a reduction in the numbers of seats available at discounted fares. The merger of Air Canada and Canadian Airlines has resulted in a reduction of domestic flights by 24% and of capacity by 14%.
- The formation of partnerships and alliances has allowed code sharing of flights between airlines. This makes it easier to book connecting flights, and gives the impression to travelers that there is seamless travel between countries. For instance, Air Canada, through the Star Alliance, code shares flights with United Airlines, all of which provide service between Australia and Alberta, through such gateway cities as Vancouver, Los Angeles, and Seattle.
- The former code share alliance between Qantas Airlines and Canadian Airlines (One World) has ended, thus limiting access and connections in the short term. Qantas Airlines operates five flights a week between Sydney and Vancouver, and still makes connecting flights to Alberta through Vancouver on Air Canada or regional airlines.
- Canada 3000 also operates charter air service between Sydney and Brisbane and Vancouver. This is currently on a year round basis. They have an agreement with West Jet Airlines regarding connector service to Edmonton and Calgary.

IV.4. Competition (See Table 4)

- Southeast Asia continues to be popular with Australian travelers. Given the current financial situation, the Asian countries are able to provide the Australian traveler with incredible holiday bargains and are all fiercely competing for the Australian tourism dollar. A recent survey conducted by Tourism Council Australia shows an increase in the number of Australians planning to travel overseas in the next six months, possibly as a result of the inexpensive packages available.

- Australians tend to travel outside the country when they can, unless they are negatively impacted by exchange rates, as is currently the case. Thus, there may be some spin offs of the Sydney Olympic Games in terms of attracting visitors from within Australia, as well as from other countries to Australia. According to the Australian Tourism Forecasting Council, the promctional effect of the Sydney Games will mean 1.6 million extra visitors over the seven years between 1997-2004. The Olympic month of September 2000 saw 406,400 overseas visitor arrivals in Australia, up 15.1% over September 1999. The USA was the number two inbound market behind New Zealand for September, due mainly to the presence of the NBC, US sponsor groups, and the US Olympic team and supporters.

- Other Europe (excluding the United Kingdom) recorded strong growth in inbound travel to Australia in 2000, with a 65.5% increase on arrivals from September 1999. However, several normally strong markets declined in September 2000 over September 2000, including Japan (decreased 13.3%), the United Kingdom (fell 14.2% and was also down 5.7% in August), and Singapore (down 29.2%).

- The major destinations in 1999 for overseas travel by Australians were: New Zealand, United States, United Kingdom, Other Europe, and Southeast Asia (including Indonesia).

V. STRENGTHS, WEAKNESSES, OPPORTUNITIES, THREATS (SWOT) ANALYSIS

V.1. Strengths

- Canada is perceived to be a safe, green and clean environment.
- It is seen as being scenically beautiful in a unique/different way to Australia.
- There is increased air capacity directly to Canada, although not specifically to Alberta.
- National parks and forests, lakes, mountains, and wildlife are important.
- Canada is attracting high yield niches: skiing, fishing, scenery, and adventure/trekking.
- Australians seem to prefer traveling to English-speaking destinations, where travel is easy and there is a high level of comfort. This makes Canada a suitable choice.
- Australians like to socialize with local inhabitants during their vacation, and are attracted to Canada's distinctive culture and friendly people.
- Continued media coverage as a result of media familiarization tours and active media relations programs has reinforced a positive image for Canada.

V.2. Weaknesses

- Air transportation costs within Canada are high, and could impact on the vacation selection decision.
- The majority of Australians still prefer to travel to Canada during the summer, when there are infrastructure capacity problems.
- Canadian cities are viewed as being less exciting than US cities.
- There is a lack of publicity for Canada. Canada does not have top of mind awareness as a destination.
- Canada is seen as great for seniors but has a limited youth image beyond skiers.

V.3. Opportunities

- There is a growing incentive market for long haul travel.
- Canada is currently riding a wave of popularity amongst consumers.
- The somewhat better rate of exchange for Canada in comparison to the US provides an opportunity to capitalize on a value-for-money message.
- Winter travel is growing, providing an opportunity for non-ski winter product sales, as well as to encourage spring/fall off-season travel through special promotions.
- Airlines are currently restructuring and building markets, providing an opportunity to cooperate with them in promotions.
- The new GST on domestic travel recently introduced in Australia will enhanced the price of long haul travel, which is not affected by GST. In addition, the GST offers tax rebates to high yield consumers.
- Awareness of the United States is high, and there is a demonstrated demand to visit there. This provides an opportunity to capitalize on the two nation vacation theme, particularly since many of the international flights arrive at West Coast USA gateways.

V.4. Threats

- Australians have been made aware of the travel bargains available in Asia as a result of the currency crisis.
- Australians are being wary regarding the long-term impact of the GST.
- There is a potential sliding in value of the Australian dollar and the surcharging on Canadian packages. Fuel surcharges will also impact travel costs.
- Competitive destinations are promoting strongly in the market.

VI. REFERENCES

Australian Bureau of Statistics, Australia Now – A Statistical Profile, International Outbound Tourism, Overseas Arrivals and Departures

Australian Tourism Commission, Newsletter, October 2000.

Australasian Business Intelligence: Travel Week, 27 September 2000, from Canadian Tourism Exchange (CTX) Highlights, October 23, 2000.

Canadian Tourism Commission, Australia, Strategic Marketing Plan 2001-2002

Canadian Tourism Commission, Pleasure Travel Markets to North America, Australia Final Report, March 1995, prepared by Coopers and Lybrand Consulting

Canadian Tourism Commission, Pleasure Travel Markets to North America, Australia Travel Trade November 1994, prepared by Coopers and Lybrand Consulting

Central Intelligence Agency, The World Factbook, Australia
http://www.cia.gov/cia/publications/factbook/geos/qm.html

Henry Davis York, Investment in Australia, 1996, http://www.telecom.at/globalaw/austral.html

Inbound Tourism Analysis Newsletter (Australia), No. 10, November 2000, from CTX Highlights, November 20, 2000

Japan Statistical Yearbook 2000, Comparative International Statistics, Population by Age Group, http://www.stat.go.jp/english/1431-25.htm

Organization for Economic Cooperation and Development (OECD) Economic Outlook, December 1999

US Department of Commerce, OTI/ITA/DOC, Pleasure Travel Market to North America 1995, U.S. Highlights Report, Australia, December 1998

Statistics Canada, Canadian Tourism Commission Communique Reports, November 1999 and 2000.

Tourism Forecasting Council, Forecast: The Tenth Report of the Forecasting Council, Vol 3, No. 2, February 2000, "Outbound Travel on the Up",
http://www.isr.gov.au/sport_tourism/publications/Forecast/TFC_Forecastv5_2.pdf

US Department of Commerce, September 1999, Australia: Leading Sectors for U.S. Export and Investment, http://www.tradeport.org/ts/countries/australia/sectors.html

US Department of Commerce, Australia Travel Market to the U.S., 1998,
http://www.tradeport.org/ts/countries/australia/isa/isar0021.html

TOURISM MARKET PROFILE

AUSTRALIA

PART II: GRAPHS AND TABLES

Prepared for

Alberta Economic Development

By

Strategy Plus

9608 – 100 Street
Edmonton, Alberta T5K 0T6

In Association with

Insight Research Solutions Inc.

4907 – 114 Street
Edmonton, Alberta T6H 3L5

December 31, 2000

TOURISM MARKET OPPORTUNITY PROFILE – AUSTRALIA

GRAPHS AND TABLES

PAGE

SOCIO-ECONOMIC DATA II
Graph 1 Exchange Rates II
Table 1 Australia Economic Indicators II

TRAVEL TRENDS III
Table 2 Long Haul Destinations for Australian Pleasure Travelers III
Table 3 Long Haul Destinations Australian Planners Would Like to Visit Compared with Recent Travelers (Top Five Choices) III
Table 4 Australians Traveling Overseas by Destination (Short and Long Haul) and Purpose of Trip –1998 IV
Table 5 Australians Traveling Overseas by Length of Stay and Purpose of Trip – 1998 IV
Table 6 Top Five Destinations in Canada and the U.S. For Australian Pleasure Travelers V
Table 7 Provinces in Canada In Which Australian Planners are Interested in Visiting V
Table 8 Top Provinces and Cities in Canada for Australian Pleasure Travel VI
Table 9 Recent Pleasure Trips to Canada and the United States – Selected Characteristics VII
Table 10 Long Haul Outbound Travel from Australia, 1995 – 1999 VII
Table 11 Forecast of Visitation by Australians to Canada 2000 – 2002 VIII
Table 12 Motivating Factors for Most Recent Trips to Canada VIII
Table 13 Perception Ratings of Canada's Tourism Attributes by Australian Long Haul Pleasure Travelers IX
Table 14 Profile of the Average Australian Traveler to the U.S. and Canada – 1995 XI
Table 15 Sources of Information Used for Planning Most Recent Long Haul Pleasure Trip XII
Table 16 Amount of Time Before Departure when Destination Was Selected for Most Recent Long Haul Pleasure Trip XII
Table 17 Activities Participated in on Recent Trips Ranked by All Destinations XIII
Table 18 Visitors to Alberta 1+ Nights, 1994 – 1999 XIII
Table 19 Expenditures in Alberta 1994 – 1999 ($Millions) XIII
Table 20 Visitors to Canada and Alberta 1+ Nights 1995-1999 XIV

SOCIO-ECONOMIC DATA

Graph 1
Exchange Rates
(Australian Dollar per US Dollar)

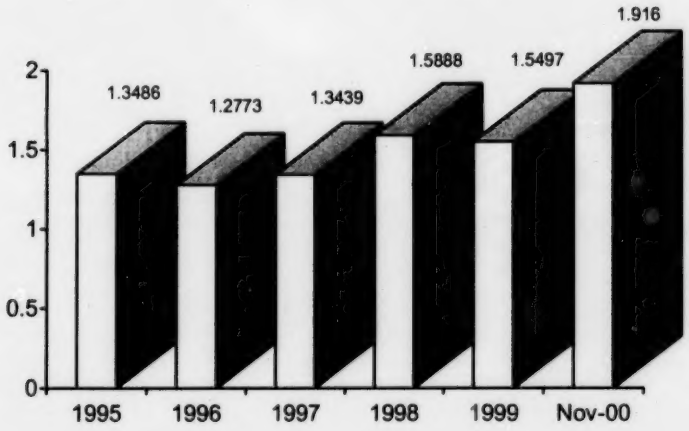

Table 1
Australia Economic Indicators

Indicators	1995	1996	1997	1998	1999	2000	2001
Real GDP (& change)	4.4	4.0	3.9	5.1	3.9	3.0	4.0
Real Private Consumption (% change)	5.1	3.3	3.9	4.3	4.8	3.8	3.5
Labour Force Participation Rate (%)	75.2	75.2	74.8	74.7	74.6	74.7	74.8
Unemployment rate (%)	8.5	8.4	8.5	8.0	7.3	6.9	6.5
Household Savings Rate (%)	5.1	5.9	3.8	2.1	2.1	2.8	2.7

Source: Organization for Economic Cooperation and Development (OECD) Economic Outlook, December 1999

Comment: Growth in real GDP peaked in 1998, with a growth of 5.1%. It is forecast to continue to grow in the 3% to 4% range through to 2001. The unemployment rate has remained consistently around the 8% mark in the late 1990's, but is expected to decline to 6.5% by 2001. Household saving reached a high of 5.9% in 1996, but declined to 2.1% in 1998 and 1999. It is expected that household savings will increase slightly to 2.7% by 2001.

TRAVEL TRENDS

Table 2
Long Haul Destinations for Australian Pleasure Travelers

Destination	Most Recent Trip (%)	Second Most Recent Trip (%)	Ranking
United Kingdom	38	30	1
Other Europe	35	26	2
United States (including Hawaii)	24	25	3
Singapore/Malaysia	23	25	4
Hong Kong	10	11	5
Thailand	9	12	6
Canada	**6**	**5**	**7**
Other Asia	5	5	8
Africa	4	5	9
Japan	**2**	**3**	**10**
China	2	3	11

Notes: Results shown are weighted. Most recent trip unweighted n=1,345; Second most recent trip unweighted n=352.
Percentages may add to more than 100% due to multiple responses.
Comparing the second most recent trip with the most recent trip does not necessarily show trends in long haul pleasure travel. These are merely two separate samples of past trips taken in the last three years.

Source: Australia Pleasure Travel Markets to North America Final Report, CTC, 1995

Comment: The United Kingdom was the most frequently reported long haul destination in 1995. The United States ranked third, while Canada ranked seventh after the South East Asian countries of Singapore/Malaysia, Hong Kong and Thailand.

Table 3
Long Haul Destinations Australian Planners Would Like to Visit Compared with Recent Travelers (Top Five Choices)

Destination	Top Five Choices Planners (%)	Top Five Choices Recent Travelers (%)
United States	64	53
United Kingdom	57	47
France	38	22
Canada	**27**	**36**
Italy	22	19
Germany	18	11
Greece	17	14
Switzerland	14	12
Japan	11	11
China	10	13
Egypt	10	8
South Africa	10	8
	(n=154)	(n=1,337)

Source: Australia Pleasure Travel Markets to North America Final Report, CTC, 1995

Comment: When planning a long haul trip, the United States (64%) is the top destination reported, followed by the United Kingdom (57%), France (38%), and Canada (27%). Of recent travelers Canada edges ahead of France.

Table 4
Australians Traveling Overseas by Destination (Short and Long Haul) and Purpose of Trip –1998

Country of Main Destinations	Purpose of Trip			Total (000s)	Percent Change (%)	Rank
	Visiting Friends and Relatives (000s)	Holiday (000s)	Other (000s)			
New Zealand (short)	154	171	145.1	470.1	15.5	1
Indonesia (short)	13.1	282.6	53.9	349.6	12.5	2
United Kingdom (long)	116.8	156.2	70.3	343.3	6.5	3
United States (long)	51.8	144.3	126.6	322.7	(-8.3)	4
Other Europe (long)	89.7	106.6	68.9	265.2	4.3	5
Other Asia (long)	85.8	68	80	233.8	2.0	6
Hong Kong (short)	38.2	51.7	57.5	147.4	(-5.6)	7
Other Oceania (short)	14.3	78.2	51.6	144.1	8.9	8
Thailand (short)	8.9	103	23.9	135.8	52.4	9
Singapore (short)	18.2	48.7	55.7	122.6	16.6	10
Malaysia (short)	23	49.4	39.5	111.9	13.7	11
Fiji (short)	10.4	70.1	18.7	99.2	30.5	12
China (long)	21	28.3	32.7	82	13.4	13
Other America, includes Canada (long)	**23.3**	**34.1**	**19.6**	**77**	**(-0.2)**	**14**
Middle East/North Africa (long)	27.1	28.9	17.3	73.3	7.3	15
Italy (long)	17.8	32.1	13.1	63	0.9	16
Philippines (short)	26.7	16.1	14.6	57.4	(-5.0)	17
Other Africa (long)	13	22.8	16	51.8	(-2.4)	18
Not Stated	0.2	2.2	8.6	11	69.5	19
Total	**753.3**	**1,494.2**	**913.6**	**3,161.1**	**7.8**	

Source: Overseas Arrivals and Departures, Australia Now-A Statistical Profile, Tourism International Outbound Tourism

Comment: In 1998, New Zealand was the most popular overseas destination for Australian travelers, followed by Indonesia, the United Kingdom, and the United States. Canada would be part of Other America and ranked 14.

Table 5
Australians Traveling Overseas by Length of Stay and Purpose of Trip - 1998

Intended Length of Stay	Purpose of Trip			Total (000s)
	Visiting Friends or Relatives (000s)	Holiday (000s)	Other (000s)	
Under 1 Week	43.5	113.8	228.7	386
1 Week under 2 Weeks	109.6	536	247.9	893.5
2 Weeks and under 1 month	199.7	431.2	189.7	820.6
1 month under 2 months	205.3	237.9	87.8	531
2 months under 3 months	81.6	76.6	41.4	199.6
3 months under 6 months	74.4	56.8	46.4	177.6
6 months under 12 months	39.2	41.7	71.8	152.7
Total	753.3	1,494.2	913.6	3,161.1

Source: Overseas Arrivals and Departures, Australia Now-A Statistical Profile, Tourism International Outbound Tourism

Comment: The long distances traveled to other countries are reflected in the relatively long periods of stay abroad. In 1998, only 12% stayed overseas less than a week, while 33% stayed away for over a month.

Table 6
Top Five Destinations in Canada and the U.S. For Australian Pleasure Travelers

Ever visited (%)		Awareness Top 5 Mentions (%)		Interest in Visiting Top 3 Mentions (%)	
		PROVINCES			
British Columbia	68	British Columbia	72	British Columbia	63
Ontario	55	Ontario	63	Ontario	50
Alberta	**49**	**Alberta**	**53**	**Alberta**	**47**
Quebec	36	Quebec	**53**	Quebec	45
Sask./Manitoba	15	Sask./Manitoba	22	Sask./Manitoba	19
(n=588)		(n=923)		(n=906)	
		STATES			
California	83	California	92	California	76
Hawaii	38	New York State	68	New York State	43
New York State	37	Florida	39	Florida	23
Nevada	31	Nevada	25	Louisiana	16
Arizona	20	Louisiana	24	Hawaii	15
(n=922)		(n=951)		(n=930)	

Source: Australia Pleasure Travel Markets to North America Final Report, CTC, 1995

Comment: Almost half of Australians who have ever visited Canada have visited Alberta (49%). Alberta was third behind British Columbia (68%) and Ontario (55%). In terms of awareness, Alberta ranked third after British Columbia and Ontario. Compared to awareness of specific states, Alberta rated higher than New York, Florida, Louisiana and Hawaii. In terms of past visitation, a higher proportion reported having visited Alberta (49%), than Hawaii (38%), New York State (37%), Nevada (31%), or Arizona (20%).

Table 7
Provinces in Canada In Which Australian Planners are Interested in Visiting

Province	Awareness* Top 5 Mentions (%)	Interest* In Visiting Top 3 Mentions (%)	Most Interested in Visiting Top Mention (%)
British Columbia	67	59	32
Ontario	58	46	21
Quebec	53	48	15
Alberta	**48**	**45**	**17**
Saskatchewan/Manitoba	22	19	2
	(n=92)	(n=92)	(n=92)

* Percentages may add to more than 100% due to multiple responses.
Caution should be used in interpreting these data due to the small sample sizes
Source: Australia Pleasure Travel Markets to North America Final Report, CTC, 1995

Comment: British Columbia has the highest awareness levels in Canada by Australian planners. It also tops the list in terms of interest in visiting. There is a lower level of awareness for Alberta (48% compared to 67% for BC.), and a lower rate of interest in visiting Alberta. Alberta ranked fourth after British Columbia, Ontario and Quebec.

Table 8
Top Provinces and Cities in Canada for Australian Pleasure Travel

	Ever Visited	Visited on Most Recent Trip to Canada	Awareness Top 5 Mentions	Interest in Visiting Top 3 Mentions	Most Interested in Visiting
PROVINCES	*(%)*	*(%)*	*(%)*	*(%)*	*(%)*
British Columbia	68	60	72	63	36
Ontario	55	49	63	50	22
Alberta	**49**	**38**	**53**	**47**	**19**
Quebec	36	27	55	45	15
Sask./Manitoba	15	11	22	19	2
Atlantic Canada	11	6	15	10	3
NWT/Yukon	3	3	7	5	2
	(n=588)	(n=588)	(n=923)	(n=906)	(n=831)
CITIES					
Vancouver	64	56	55	43	28
Toronto	35	28	29	24	10
Niagara Falls	30	26	24	17	9
Calgary	**30**	**26**	**22**	**18**	**7**
Montreal	29	20	33	25	8
Banff	**28**	**20**	**22**	**17**	**12**
Quebec City	12	8	22	18	7
Victoria	11	10	8	6	4
Edmonton	**11**	**6**	**4**	**2**	**1**
Ottawa	9	7	11	7	3
Winnipeg	9	5	3	2	0
	(n=588)	(n=588)	(n=923)	(n=906)	(n=751)

Source: Australia Pleasure Travel Markets to North America Final Report, CTC, 1995

Comment: Vancouver was the Canadian city most frequently mentioned as having been visited (64%), Calgary was reported by 30%, and Banff by 28%. Vancouver had the highest level of awareness, followed by Montreal, Toronto, Niagara Falls, Calgary and Banff.

Table 9
Recent Pleasure Trips to Canada and the United States – Selected Characteristics

Trip Characteristics	Canada	United States	All Destinations
Total Duration of Trip (average number of nights)	57	38	46
Most Popular Month of Travel when trip was started	May/June	May-Dec	Mar-Dec
Travel Party	(%)	(%)	(%)
Alone	23	19	25
Spouse/Partner	52	55	50
Children	16	33	22
Friends	14	11	12
Number in Travel Party (average)	2.4	3.0	2.7
Trip Satisfaction (very/somewhat satisfied)	98%	99%	97%
Value for Money (mean rating out of 10)	8.3	8.2	7.9

Note: Two most recent trips to Canada n=294; Most recent trip to United States n=385; Most recent trip to all destinations n=1,345.
Source: Tourism Canada and the U.S. Travel and Tourism Administration Pleasure Travel Markets to North America Australia Final Report March 1995, Coopers & Lybrand Consulting

Comments: The length of trips in 1995 that included Canada were significantly longer (57 nights) than trips to the United States (38 nights), and all destinations in general (46 nights). The most popular month to travel is May. Australians tend to travel with their spouse/partner in small travel party sizes averaging 2.4 people.

Canada received a high trip satisfaction rating of 98%, reflecting somewhat or very satisfied. Value of money rating was also high at 8.3 out of 10.

Table 10
Long Haul Outbound Travel from Australia, 1995 – 1999

	1995	1996	1997	1998	1999
Long Haul International Outbound Trips ('000)	1,962.3	2,219.1	2,317.5	2,447.6	2,457.5
Year-to-Year Change (%)	-	8.5	8.8	5.6	0.4
Overnight Trips to Canada ('000)	141.6	149.3	150.1	144.5	152.4
Year-to-Year Change (%)	-	5.4	0.5	(-3.7)	5.5
Canada's Market Share (%)	7.2	7.0	6.5	5.9	6.2
Canada's Receipts ($M)	137.7	148.0	148.5	159.1	193.8
Year-to-Year Change (%)	-	7.5	0.3	7.1	21.8

Source: Canadian Tourism Commission, Strategic Plan 2001-2002

Comment: The total number of Australian long haul travelers grew by only 0.4% in 1999. Overnight trips to Canada grew by 5.5% to 152,400, resulting in an increase in Canada's market share from 5.9% in 1998 to 6.2% in 1999. Spending in Canada was the highest since 1995 at $193.8 million, a 21.8% increase over 1998.

Table 11
Forecast of Visitation by Australians to Canada 2000 - 2002

	2000	2001	2002
Person-trips (yearly change)	155,000 (2.0%)	169,000 (9.0%)	180,900 (7.0%)
Receipts (yearly change)	$201.8M (4.0%)	$232.1M (15.0%)	$260.0M (12.0%)

Source: Canadian Tourism Commission, Strategic Plan 2001-2002.

Comment: Travel to Canada is expected to continue to grow through 2002 to 180,900 travelers spending $260.0 million.

Table 12
Motivating Factors for Most Recent Trips to Canada

Motivating factor	Two Most Recent Trips to Canada (%)	Most Recent Trip to All Destinations (%)
Outstanding scenery	84	75
Meeting new and different people	80	76
Going places I have not visited before	78	77
Visiting friends and relatives	78	65
Opportunities to increase one's knowledge	77	76
Interesting rural countryside	74	74
Standards of hygiene and cleanliness	74	67
Arts and cultural attractions	71	72
Having fun, being entertained	71	67
Traveling to places where I feel safe	70	69
Good public transportation	69	69
Meeting people with similar interests	69	52
Inexpensive travel to the country	67	63
Just relaxing	65	66
The destination offered the best value	64	71
Experiencing new and different lifestyles	64	70
Being together as a family	63	64
Visits to appreciate natural ecological sites	63	52
Availability of pre-trip tourist information	62	60
The best deal I could get	61	60
Escaping from the ordinary	60	68
Inexpensive travel within the country	60	59

Note: Two most recent trips to Canada n=294; Most recent trip to all destinations n=1,342.
Source: Australia Pleasure Travel Markets to North America Final Report, CTC, 1995

Comment: The two most frequently mentioned motivating factors in selecting a destination were outstanding scenery (84%) and meeting new and different people (80%). These were significantly higher than for all destinations (75% and 76% respectively).

Table 13
Perception Ratings of Canada's Tourism Attributes by Australian Long Haul Pleasure Travelers

ATTRIBUTES	RATING (4=excellent)
Favourably Viewed	
Outstanding Scenery	3.75
Mountainous Areas	3.69
National Parks and Forests	3.61
Rivers and Lakes	3.61
Wilderness and Undisturbed Nature	3.56
Wilderness Adventures	3.45
Opportunity to Increase One's Knowledge	3.41
Visits to Appreciate Natural Ecological Sites	3.38
Interesting Rural Countryside	3.36
Variety of Things to See and Do	3.36
Standards of Hygiene and Cleanliness	3.36
Observing Wildlife, Birds, and Flowers	3.35
Outdoor Activities	3.33
Alpine Skiing (downhill)	3.29
Cross Country Skiing	3.27
Places I can Talk About When I Get Home	3.26
Cleanliness of Cities and Facilities	3.22
Environmental Quality of Air, Water, and Soil	3.21
Has the things You Enjoy Doing on a Holiday	3.17
Fishing	3.16
Ease of Exchanging Currency	3.16
Opportunity to Drive Around at My Own Pace	3.15
Ease of Obtaining Visas	3.15
First Class Hotels	3.14
Interesting and Friendly Local People	3.14
Unique/Different Native Cultures e.g. Inuit & Indian	3.11
Personal Safety, Even when Traveling Alone	3.05
Getting a Change from A Busy Job	3.05
Good Local Public Transportation e.g. trains, buses	3.05
Availability of Pre-trip Tourist Information	3.05
Interesting Towns and Villages	3.04
Ease of Driving on my Own	3.04
Shopping	3.02
Campgrounds and Caravan Parks	3.02
Experience New and Different Lifestyles	3.00
Fast Food Restaurants	3.00
Well Viewed with Some Room for Improvement	
High Quality Restaurants	2.99
Activities for the Entire Family	2.94
Availability of Package Trips (all-inclusive vacations)	2.93
The Culture	2.93
Hunting	2.91
Opportunity for Doing Sports	2.91
Local Crafts	2.90
Big Modern Cities	2.90
Arts and Cultural Attractions	2.89
Coastal Areas	2.89
Variety of Short Guided Excursions/Tours	2.88
Unique and Different Immigrant Cultural Groups	2.86

Table 13 (continued)

Finding Thrills and Excitement	2.86
Having Fun	2.85
Value for Vacation Money	2.83
Resort Areas	2.81
Local Cuisine	2.80
Museums and Art Galleries	2.77
Improvement Needed	
Nightlife and Entertainment (bars, clubs, dancing)	2.74
Inexpensive Restaurants	2.72
Historic Sites and Buildings, including Battlefields	2.69
Budget Accommodation	2.69
Local Festivals	2.68
Spectator Sporting Events	2.60
Experience Life on a Ranch	2.59
Exercise and Fitness Opportunities	2.57
Water Sports, (e.g. surfing, waterskiing, and diving)	2.52
Inexpensive Travel Inside the Country	2.50
Low Cost Excursions	2.48
Theme Parks and Amusement Parks	2.46
Experience an Exotic Atmosphere	2.42
Taking Advantage of the Currency Exchange Rate	2.42
Inexpensive Travel to the Country	2.40
Tennis	2.36
Nice Weather	2.31
Golf	2.17
Casinos	2.16
Other Gambling	2.07
Beaches for Sunbathing and Swimming	1.91
Scuba Diving	1.78
Snorkeling	1.76
Overall Rating of Canada	**3.22**

Note: n=1,414
Scale: 4=excellent; 3=very good; 2=fair; 1=poor
All respondents were asked to rate attributes on Canada regardless of whether or not they had actually visited or were interested in visiting Canada.
Source: Australia Pleasure Travel Markets to North America Final Report, CTC, 1995

Comments: Canada's most favourably viewed attributes were: outstanding scenery, mountainous areas, national parks and forests, rivers and lakes, and wilderness and undisturbed nature. All of these attributes received a rating of 3.5 out 4.

Those attributes viewed with room for improvement include: high quality restaurants, activities for the entire family, availability of package trips (all-inclusive vacations), culture, hunting, the opportunity for outdoor sports, local crafts, and big modern cities. These attributes rated between 2.9 and 2.99 out of 4.

Attributes identified that needed improvement were: nightlife, inexpensive restaurants, historic sites and buildings, budget accommodation, and local festivals. These attributes received a rating of between 2.6 and 2.74 out of 4.

Canada's overall rating was 3.22 out of 4.

Table 14
Profile of the Average Australian Traveler to the U.S. and Canada - 1995

	Travelers to Canada	Travelers to USA	Travelers to all Destinations
Average Age	49 years	45 years	48 years
Age 55 or older (%)	43	26	34
	(%)	(%)	(%)
Single	21	16	16
Married	62	69	68
Education	(%)	(%)	(%)
Some High School	23	32	26
Graduated High School	26	18	21
Some College/University or degree	38	33	35
Annual Household Income:	(%)	(%)	(%)
Less than AUS$20,000	28	18	21
AUS$60,000 or more	33	32	27
Occupation:	(%)	(%)	(%)
Blue collar worker	12	16	17
White collar worker/professional	38	48	41
Students/home-makers	21	21	20
Retired/pensioner	29	14	20
	(%)	(%)	(%)
Have friends or relatives living in Canada	74	26	28
Have friends or relatives living in USA	43	57	39

Source: Australia Pleasure Travel Markets to North America Final Report, CTC, 1995

Comment: The average age of Australian travelers to Canada in 1995 was 49 years, slightly older than travelers to the United States (45 years). A high number of travelers from Australia to Canada have friends or relatives living in Canada (74%).

Table 15
Sources of Information Used for Planning Most Recent Long Haul Pleasure Trip

Sources of Information	Two Most Recent Trips to Canada (%)	Most Recent Trip to the United States (%)	Most Recent Trip to All Destinations (%)
Talked to a travel agent	68	69	70
Talked to friends/family	57	55	54
Picked up brochures/pamphlets	44	50	44
Read articles/features	13	15	16
Airline	13	13	13
Personal experience	8	8	10
Books/went to library	8	4	6
Tour operator	7	4	5
Business colleagues	6	9	6
Clubs/associations	4	3	2
Advertisements	3	4	4
Government Tourism Office	3	3	2
Embassy/Consulate	3	3	2
Automobile association	3	2	1
TV shows	0	2	1
Movies	0	0	1

Note: Two most recent trips to Canada n=292; Most recent trip to the United States n=375; Most recent trip to all destinations n=1,304.
Percentages may add to more than 100% due to multiple responses.
Source: Australia Pleasure Travel Markets to North America Final Report, CTC, 1995

Comment: Australian visitors to Canada are slightly less likely to talk to a travel agent as a source of information than Australian travelers in general (68% versus 70%). Visitors to Canada also talk to friends/family (57%), and pick up brochures /pamphlets (44%).

Table 16
Amount of Time Before Departure when Destination Was Selected for Most Recent Long Haul Pleasure Trip

Amount of Time	Two Most Recent Trips to Canada (%)	Most Recent Trip to the United States (%)	Most Recent Trip to All Destinations (%)
Less than one month	4	6	11
1 month	9	10	10
2 months	9	13	11
3 months	13	9	12
4 months	10	9	7
5 months	5	3	3
6 to 11 months	24	31	27
1 year or more	26	20	19

Note: Two most recent trip to Canada n=294; Most recent trip to the United States n=385; Most recent trip to all destinations n=1,345.
Source: Australia Pleasure Travel Markets to North America Final Report, CTC, 1995

Comment: The amount of time before departure when the destination was selected reflects the distance traveled. Most visitors to Canada select their destination a year or more in advance (26%), while 24% select their destination 6 to 11 months prior to departure. Visitors to the United States are the reverse, with 31% selecting their destination 6 to 11 months prior to departure and 20% selecting their destination a year or more prior to departure.

Table 17
Activities Participated in on Recent Trips Ranked by All Destinations

Activity	Two Most Recent Trips to Canada (%)	Most Recent Trip to United States (%)	Most Recent Trip to All Destinations (%)
Taking pictures or filming	94	94	90
Informal/casual dinning	93	89	88
Sightseeing in the cities	92	88	88
Sightseeing in the country	92	82	86
Shopping	91	94	91
Driving to scenic places	86	77	70
Seeing big modern cities	84	77	72
Sampling local foods	83	87	90
Visiting small towns and villages	83	70	80
Getting to know local people	81	67	74
Visiting scenic landmarks	77	77	77
Visiting places of historical interest	74	78	81
Local crafts and handiwork	74	66	71

Note: Two most recent trips to Canada n=294; Most recent trip to the United States n=385; Most recent trip to all destinations n=1,345.
Source: Australia Pleasure Travel Markets to North America Final Report, CTC, 1995

Comment: Taking pictures or filming was the most frequently (94%) mentioned activity of Australian visitors to Canada. This was followed by informal/casual dining (93%), sightseeing in cities (92%), and sightseeing in the country (92%). Visiting scenic landmarks was reported by 77% of Australians visiting Canada, the same proportion reported by those who visited the United States.

Table 18
Visitors to Alberta 1+ Nights, 1994 – 1999

	1994	1995	1996	1997	1998	1999
Visitors	29,300	39,900	43,600	36,400	38,200	60,000
Percent Change from Previous Year (%)	--	36.2	9.3	(-16.5)	4.9	57.1

Source: International Travel Survey, Statistics Canada

Comment: Overnight travel to Alberta peaked in 1996 with 43,600 visitors, then declined to 38,200 visitors in 1998. There was a major increase of 57.1% to 60,000 in 1999 for visitors from Australia and New Zealand.

Table 19
Expenditures by Australians in Alberta 1994 – 1999

	1994	1995	1996	1997	1998	1999
Expenditures ($ Millions)	19.1	25.9	31.1	22.8	25.8	44.4
Percent Change from Previous Year (%)	--	35.6	20.1	(-26.7)	13.2	72.1

Source: International Travel Survey, Statistics Canada

Comment: Expenditures by overnight visitors to Alberta from Australia peaked in 1996 at $31.1 million. They then declined significantly in 1997 to $22.8 million, before recovering to $25.8 million in 1998. There was then a significant increase of 72.1% in 1999 to $44.4 million.

Table 20
Visitors from Australia to Canada and Alberta 1+ Nights 1995 – 1999

	1995	1996	1997	1998	1999
Overnight Trips to Canada (000s)	141.6	149.3	150.1	144.5	152.4
Year to Year Change (%)	-	5.4	0.5	(-3.7)	5.5
Overnight Trips to Alberta (000s)	39.9	43.6	36.4	38.2	60.0
Year to Year change (%)	36.2	9.3	(-16.5)	4.9	57.1

Source: Canadian Tourism Commission Strategic Plan 2001 – 2001
Statistics Canada, International Travel Survey

Comment: Growth to Canada was continuous to 1998. In 1998, the number of overnight trips to Canada by Australians decreased by 3.7%. Conversely, Alberta experienced increases in overnight visitation from Australia until 1997, when overnight trips dropped 16.5%. 1999 experienced significant increases in travelers from Australia to Canada (5.5%) and Alberta (57.1%)